

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PHILIP Y. BROWN, ESQ. | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. McCARTHY

MEMORANDUM

TO: Beverly Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: November 3, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on January 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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Enc.



Beverly Retirement System
January 1, 2014 Actuarial Valuation

Total Cost 4.45% increasing until FY30

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2002 ERI</u>	<u>Amort. of</u> <u>2003 ERI</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Total Cost</u> <u>Increase</u>
2015	1,901,674	100,000	6,807,173	395,381	10,123	9,214,351	89,224,348	
2016	1,987,249	100,000	7,131,637	395,381	10,123	9,624,390	88,647,067	4.45%
2017	2,076,675	100,000	7,470,496	395,381	10,123	10,052,675	87,688,010	4.45%
2018	2,170,126	100,000	7,824,389	395,381	10,123	10,500,019	86,302,637	4.45%
2019	2,267,781	100,000	8,193,985	395,381	10,123	10,967,270	84,442,289	4.45%
2020	2,369,832	100,000	8,975,359		10,123	11,455,313	82,053,848	4.45%
2021	2,476,474	100,000	9,388,601			11,965,075	79,079,352	4.45%
2022	2,587,915	100,000	9,809,605			12,497,521	75,455,593	4.45%
2023	2,704,372	100,000	10,249,289			13,053,660	71,113,674	4.45%
2024	2,826,068	100,000	10,708,480			13,634,548	65,978,535	4.45%
2025	2,953,241	100,000	11,188,044			14,241,286	59,968,438	4.45%
2026	3,086,137	100,000	11,688,886			14,875,023	52,994,412	4.45%
2027	3,225,013	100,000	12,211,948			15,536,961	44,959,649	4.45%
2028	3,370,139	100,000	12,758,217			16,228,356	35,758,861	4.45%
2029	3,521,795	100,000	13,328,723			16,950,518	25,277,574	4.45%
2030	3,680,276	100,000	13,924,540			17,704,816	13,391,376	4.45%
2031	3,845,889	100,000				3,945,889	-34,908	-77.71%

Appropriation payments assumed to be made December 31 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$250,000.

FY15 amount maintained at level of current schedule.